

# County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration 500 West Temple Street, Room 713, Los Angeles, California 90012 (213) 974-1101 http://ceo.lacounty.gov

"To Enrich Lives Through Effective And Caring Service"

Board of Supervisors GLORIA MOLINA First District

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MICHAEL D. ANTONOVICH

October 21, 2014

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

**Dear Supervisors:** 

### **ADOPTED**

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

13 October 21, 2014

SACHI A. HAMAI EXECUTIVE OFFICER

FIRST AMENDMENT TO LEASE NO. 72145
DEPARTMENT OF MENTAL HEALTH
19231 VICTORY BOULEVARD, RESEDA
(THIRD DISTRICT)
(3 VOTES)

#### **SUBJECT**

A seven-year lease amendment for 8,085 square feet for the Department of Mental Health to provide continued use of existing office space and 40 parking spaces.

#### IT IS RECOMMENDED THAT THE BOARD:

- 1. Find that the proposed lease amendment is categorically exempt from the provisions of the California Environmental Quality Act pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, per Section 15301 of the State of California Environmental Quality Act Guidelines (Existing Facilities).
- 2. Approve and instruct the Chairman to sign the first seven-year amendment to the lease agreement with JD INVESTMENTS, LP (Lessor) for the Department of Mental Health to continue occupancy of 8,085 square feet of office space and 40 parking spaces located at 19231 Victory Boulevard, Reseda, at an initial annual rental cost of \$164,934. The lease costs are 100 percent funded by State and federal revenue.
- 3. Authorize the Chief Executive Officer and the Director of Mental Health to implement the project. The lease amendment will be effective upon approval by the Board.

The Honorable Board of Supervisors 10/21/2014 Page 2

#### PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Since February 2000, the Department of Mental Health (DMH) has been housed in the office space at the building located at 19231 Victory Boulevard, Reseda, for the Valley Coordinated Children's Services (VCCS) program.

This program is an outpatient program of DMH that specializes in serving the mental health needs of children and adolescents with serious emotional disturbances who are in acute need. VCCS was created to establish a "safety net" for the highest risk children and adolescents in Service Area 2 (SA 2) to insure timely access to mental health services that could prevent the need for psychiatric hospitalization, and avoid negative outcomes.

The program offers immediate access to mental health services for the most diagnostically complicated and at risk children and youth in SA 2, in an effort to maintain them on an outpatient basis, to prevent the need for hospitalization, and provide higher level of care. The program mandate is to offer an accurate diagnosis, treatment plan, and the highest quality of care to youth until they have reached adequate stability to be linked with ongoing outpatient mental health services.

At the present time, VCCS is the only clinic in SA 2, directly operated or contracted, responsible and available for offering mental health services for indigent, uninsured, diagnostically complicated, and high risk children and adolescents; timely access to mental health services for hospital discharges, child and adolescent Urgent Care for Olive View Medical Center; immediate crisis intervention, assessment and triage of all Los Angeles Unified School District crises calls, as well as immediate triage of child and adolescent crises daytime calls for the SA 2 Primary Medical Response Team.

The proposed lease amendment will provide VCCS the continued occupancy of the facility with the uninterrupted delivery of services to the affected constituency within the vicinity of the surrounding SA 2. The facility houses 33 staff positions and provides services to approximately 175 client visits per week.

Parking is provided in the facility parking lot with sufficient appurtenant parking available nearby. The facility is in proximity to local public transportation routes.

#### <u>Implementation of Strategic Plan Goals</u>

The Countywide Strategic Plan Goal of Integrated Services Delivery (Goal 3) directs that we maximize opportunities to measurably improve client and community outcomes and leverage resources through the continuous integration of health, community, and public safety services. In this case, the County is supporting this goal by providing an office in or near the community it serves to increase effectiveness, enhance customer service, and provide responsive services to the public. The lease amendment is in conformance with the Asset Management Principles as outlined in Attachment A.

#### FISCAL IMPACT/FINANCING

The proposed lease amendment will provide the County uninterrupted use of 8,085 square feet of office space and 40 on-site parking spaces at a monthly base rent of \$13,744.50 per month, or \$164,934 annually, i.e., \$1.70 per square foot per month. In addition, new carpet, paint, and vinyl composition tile (VCT) were negotiated as part of the lease amendment and will be coordinated with the tenant department. An existing license agreement with JD INVESTMENTS, LP (Lessor) allowing

The Honorable Board of Supervisors 10/21/2014 Page 3

for departmental storage containment in the building complex and an additional eight parking spaces will be terminated upon adoption of the lease amendment and incorporated within this extension agreement. Attachment B is an overview of the changes in the existing lease.

This is a full-service gross lease whereby the Lessor is responsible for all operating costs associated with the County's occupancy. The rent is subject to Consumer Price Index (CPI) increases capped at 3 percent in lieu of the previous annual increases of up to 3.5 percent. A total of 40 parking spaces/passes is included in the rental rate and will be provided in the on-site secured parking lot.

Sufficient funding for the proposed lease costs is included in the Fiscal Year (FY) 2014-15 Rent Expense budget, and will be billed back to DMH. DMH has sufficient funding in its FY 2014-15 operating budget to cover the projected lease costs.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The proposed lease amendment will provide uninterrupted use of 8,085 square feet of office space and 40 parking spaces, and contains the following provisions:

- Commencement of new rent and seven-year term upon approval by the Board.
- A full-service gross basis with the Lessor responsible for all operational and maintenance costs.
- A Landlord Work provision allowing for new carpet, paint, and VCT included in the base rent.
- A cancellation provision allowing the County to cancel any time after five years with 120 days prior written notice.
- Annual rental rate adjustments based upon CPI with a maximum increase of 3 percent per annum, and no floor.

The Chief Executive Office (CEO) Real Estate staff conducted a survey within the search area to determine the availability of comparable and more economical sites. Staff was unable to identify any sites in the surveyed area that could accommodate this requirement more economically, nor are there any County-owned or leased facilities available for this program. Based upon said survey, staff has established that the rental range for similar space is between \$16.50 and \$32 per square foot per year on a full service basis, excluding parking. Thus, the base annual rent of \$20.40 per square foot per year on a full-service basis, including parking, for the proposed lease amendment represents a rate within the market range for the area. Attachment C shows County-owned or leased facilities in the proximity of the service area and there are no suitable County-owned or leased facilities available for the program.

The Department of Public Works has inspected this facility and found it suitable for the County's occupancy. Notification letters have been sent pursuant to Government Code Sections 25351 and 65402.

The Honorable Board of Supervisors 10/21/2014 Page 4

#### **ENVIRONMENTAL DOCUMENTATION**

The CEO has concluded that this project is exempt from the California Environmental Quality Act (CEQA) as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities).

#### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The proposed lease amendment will adequately provide the necessary office space for this County requirement. DMH concurs with the proposed recommendation.

#### **CONCLUSION**

It is requested that the Executive Office, Board of Supervisors, return five originals of the executed lease amendment, two certified copies of the Minute Order and the adopted, stamped Board letter to the CEO, Real Estate Division at 222 South Hill Street, 4th Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,

WILLIAM T FUJIOKA

Chief Executive Officer

WTF:RLR:CMM CEM:TS:NCH:gw

**Enclosures** 

c: Executive Office, Board of Supervisors County Counsel Auditor-Controller Mental Health

### **DEPARTMENT OF MENTAL HEALTH** 19231 VICTORY BOULEVARD, RESEDA Asset Management Principles Compliance Form<sup>1</sup>

1.	Oc	Occupancy			N/A			
	Α	Does lease consolidate administrative functions? <sup>2</sup>			х			
	В	Does lease co-locate with other functions to better serve clients? <sup>2</sup> Satellite office to West Valley DMH Clinic.		х				
	С	Does this lease centralize business support functions? <sup>2</sup>			х			
	D	Does this lease meet the guideline of 200 sq. ft of space per person? <sup>2</sup> Ratio is approximately 252 square feet per person which is attributable to Clinic related office space.		х				
2.	Ca	<u>Capital</u>						
	Α	Is it a substantial net County cost (NCC) program?		Х				
	В	Is this a long term County program?	Х					
	С	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		х				
	D	If no, are there any suitable County-owned facilities available?		X				
	E	If yes, why is lease being recommended over occupancy in County-owned space?			х			
	F	Is Building Description Report attached as Attachment C?	Х					
	G	Was build-to-suit or capital project considered? The proposed building is offered at a competitive market rate and County already occupies the facility.		х				
3.	Por	Portfolio Management						
	Α	Did department utilize CEO Space Request Evaluation (SRE)?	X					
	В	Was the space need justified?	х					
	С	If a renewal lease, was co-location with other County departments considered?		X				
	D	Why was this program not co-located?			х			
		The program clientele requires a "stand alone" facility.						
		No suitable County occupied properties in project area.						
		3 No County-owned facilities available for the project.						
		4 Could not get City clearance or approval.						
		5 The Program is being co-located.	,					
ĺ	Е	Is lease a full service lease? <sup>2</sup>	х					
	F	Has growth projection been considered in space request?	Х					
	G	Has the Dept. of Public Works completed seismic review/approval?	х					
		<sup>1</sup> As approved by the Board of Supervisors 11/17/98		** *				
		<sup>2</sup> If not, why not?						

## FISCAL IMPACT / FINANCING OVERVIEW OF LEASE CHANGES

19231 Victory Blvd., Reseda	Existing Lease	Proposed Lease/First Amendment	Change
Area (square feet)	8,085	8,085	None
Term	(02/13/2000-09/14/2014) currently on month-to- month holdover	Seven years upon Board adoption	+7 years
Annual Rent	\$156,073 (\$19.30/sq.ft.)	\$164,934* (\$20.40/sq.ft.)	+\$8,861 (\$1.10/sq.ft.)
Base TI Allowance (non-reimbursable)	\$121,275 (\$15.00/sq.ft.)	\$48,500 (estimate \$6.00/sq.ft.)	-\$72,775 (-\$9.00/sq.ft.)
Cancellation	County after 42 months with 60 days notice	County after 5 years with 120 days notice	+1.5 years +60 days notice
Parking (included)	40 spaces	40 spaces	None
Option to Renew	One five-year option	None	None
Rental Adjustment	CPI increases capped at 3.5 percent increases per year	CPI increases capped at 3 percent, no floor.	5 percent

<sup>\*</sup> Lease comprised of 8,085 square feet of office and storage space at new rate of \$1.70/sq.ft. monthly.

# DEPARTMENT OF MENTAL HEALTH SPACE SEARCH - 5-MILE RADIUS OF 19231 VICTORY BOULEVARD, RESEDA

Name					
	Address	Ownership	Gross SQFT	Net SQFT	Vacant SOFT
	21515 VANOWEN ST, CANOGA				
DH_WEST VALLEY DISTRICT DEFICE	· · · · · · · · · · · · · · · · · · ·	LEASED	6.847	6 505	NONE
TH-WEST VALLET DISTRICT OFFICE		LLASED	0,047	0,505	NONL
DMH-WELLNESS CENTER	· ·	LEASED	5.665	5.382	NONE
			5,005	3,002	110112
	· '	OWNED	5,308	3.094	NONE
MENTAL HEALTH-WEST VALLEY					
MENTAL HEALTH CTR	PARK 91304	LEASED	15,900	13,515	NONE
MENTAL HEALTH-SAN FERNANDO	10605 BALBOA BLVD, GRANADA		·		
MENȚAL HEALTH SVCS	HILLS 91344	LEASED	25,996	23,396	NONE
	10515 BALBOA BLVD, GRANADA				
DMH-WELLNESS CENTER	HILLS 91344-6343	LEASED	7,991	7,592	NONE
	9425 PENFIELD AVE,	1.77			
CHATSWORTH COURTHOUSE	CHATSWORTH 91311	FINANCED	302,435	182,589	NONE
DCFS-SAN FERNANDO	20151 NORDHOFF ST,				
VALLEY/WEST SFV (SPA 2)	CHATSWORTH 91311	LEASED	73,595	69,915	NONE
PH-PACOIMA PUBLIC HEALTH	13300 VAN NUYS BLVD,				
CENTER	PACOIMA 91331	OWNED	5,404	3,098	NONE
-	11251 GLENOAKS BLVD,				
		PERMIT	50	50	NONE
	•				
		OWNED	96,360	39,588	NONE
	•	0,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	co.=		
		OWNED	625	563	NONE
	'	OWNED	625	563	NONE
MANAGEMENT TRAILER #2		OWNED	625	563	NONE
FIDE DACOIMA OFFICE TRAILER #1	•	OWNED	625	604	NONE
FIRE-PACOINIA OFFICE TRAILER #1		OWNED	623	604	NONE
FIRE-PACOIMA OFFICE TRAILER #2	· · · · · · · · · · · · · · · · · · ·	OWNED	625	604	NONE
		OWINED	023	004	INOINE
	·	OWNED	612	551	NONE
01112		OWNED	012	7,71	140145
FIRE-PACOIMA OFFICE TRAILFR		OWNED	600	580	NONE
		3,,,,,,		500	110112
FACILITIES OFFICE	NUYS 91406	LEASED	3,712	3,600	NONE
	MENTAL HEALTH CTR MENTAL HEALTH-SAN FERNANDO MENTAL HEALTH-SAN FERNANDO MENTAL HEALTH SVCS  DMH-WELLNESS CENTER  CHATSWORTH COURTHOUSE DCFS-SAN FERNANDO VALLEY/WEST SFV (SPA 2) PH-PACOIMA PUBLIC HEALTH CENTER DCFS - (KINSHIP RESOURCE CTR PACOIMA) DPSS-EAST VALLEY WS DISTRICT DFFICE FIRE-PACOIMA VEGETATIVE MANAGEMENT TRAILER #1 FIRE-PACOIMA OFFICE TRAILER #1 FIRE-PACOIMA OFFICE TRAILER #2 FIRE-PACOIMA OFFICE TRAILER #2 FIRE-PACOIMA FORESTRY DIV DFFICE FIRE-PACOIMA OFFICE TRAILER #2 FIRE-PACOIMA OFFICE TRAILER	PH-WEST VALLEY DISTRICT OFFICE  PARK 91303  6800 OWENSMOUTH, CANOGA PARK 91303-3159  The composition of the park of the park 91303 and park 91303  DMH-WELLNESS CENTER  DHS-CANOGA PARK HEALTH CENTER (P/PP SITE)  MENTAL HEALTH-WEST VALLEY MENTAL HEALTH CTR MENTAL HEALTH CTR MENTAL HEALTH SVCS  MENTAL HEALTH SVCS  MENTAL HEALTH SVCS  DMH-WELLNESS CENTER  DMH-WELLNESS CENTER  DMH-WELLNESS CENTER  CHATSWORTH COURTHOUSE DCFS-SAN FERNANDO  WALLEY/WEST SFV (SPA 2)  CHATSWORTH 91311  DPH-PACOIMA PUBLIC HEALTH CENTER  PACOIMA)  DPSS-EAST VALLEY WS DISTRICT DFFICE  TIRE-PACOIMA VEGETATIVE MANAGEMENT TRAILER #1  DETER-PACOIMA OFFICE TRAILER #1  DETER-PACOIMA OFFICE TRAILER #2  DETER-PACOIMA OFFICE TRAILER #2  DETER-PACOIMA OFFICE TRAILER #2  DETER-PACOIMA OFFICE TRAILER #2  DETER-PACOIMA OFFICE TRAILER #3  DETER-PACOIMA OFFICE TRAILER #4  DETER-PACOIMA OFFIC	PH-WEST VALLEY DISTRICT OFFICE    PARK 91303	PH-WEST VALLEY DISTRICT OFFICE	PH-WEST VALLEY DISTRICT OFFICE PARK 91303 BEASED 6,847 6,505 6800 OWENSMOUTH, CANOGA DMH-WELLNESS CENTER PARK 91303-3159 DHS-CANOGA PARK HEALTH 7107 REMMET AVE, CANOGA PARK 91303 OWNED 5,308 3,094 MENTAL HEALTH-WEST VALLEY PARK 91304 MENTAL HEALTH-SAN FERNANDO MENTAL HEALTH SVCS HILLS 91344 LEASED 15,900 13,515 MENTAL HEALTH SVCS HILLS 91344 LEASED 15,900 13,515 MENTAL HEALTH SVCS HILLS 91344 LEASED 25,996 23,396 DMH-WELLNESS CENTER HILLS 91344 LEASED 7,991 7,592 CHATSWORTH COURTHOUSE CHATSWORTH 91311 FINANCED PH-PACOIMA PUBLIC HEALTH 13300 VAN NUYS BLVD, PH-PACOIMA PUBLIC HEALTH 13300 VAN NUYS BLVD, PACOIMA 91331 OWNED 5,404 3,098 DOESS-AST VALLEY WS DISTRICT 1251 GLENOAKS BLVD, PACOIMA 91331 PERMIT 50 50 DPS-SEAST VALLEY WS DISTRICT 14545 LANARK ST, PANORAMA MANAGEMENT TRAILER #1 91331 OWNED 625 563 12605 OSBORNE ST, PACOIMA MANAGEMENT TRAILER #2 91331 OWNED 625 604 1RE-PACOIMA OFFICE TRAILER #2 91331 OWNED 625 604 1RE-PACOIMA OFFICE TRAILER #2 91331 OWNED 625 604 1RE-PACOIMA OFFICE TRAILER #3 12605 OSBORNE ST, PACOIMA 91331 OWNED 625 604 1RE-PACOIMA OFFICE TRAILER #3 12605 OSBORNE ST, PACOIMA 91331 OWNED 625 604 1RE-PACOIMA OFFICE TRAILER #3 13301 OWNED 625 604 1RE-PACOIMA OFFICE TRAILER #3 12605 OSBORNE ST, PACOIMA 91331 OWNED 625 604 1RE-PACOIMA OFFICE TRAILER #3 13301 OWNED 635 606 607 607 607 607 607 607 607 607 607

#### FIRST AMENDMENT TO LEASE

T	his First Amendment	to Lease ("Amendment") is made and entered into as of this _2	<u> 21st</u>
day of	October	, 2014, by and between JD INVESTMENTS, LP, a	
Californi	a limited partnership	("Landlord"), and COUNTY OF LOS ANGELES, a body polit	iic
and corpo	orate of the State of C	alifornia ("Tenant").	

#### **RECITALS**

- **A.** WHEREAS, Landlord, as successor-in-interest to Tampa Victory, a California general partnership, and Tenant entered into that certain Lease dated as of June 8, 1999 (the "Original Lease") pursuant to which Landlord leases to Tenant and Tenant leases from Landlord certain premises commonly known as Suite 110 containing approximately 8,085 rentable square feet (the "Premises") in that certain building located at 19231 Victory Boulevard, Reseda, California ("Building"), as more particularly described in the Original Lease.
- **B.** WHEREAS, Landlord, as Licensor, and Tenant, as Licensee, entered into that certain License Agreement dated as of March 9, 2012 ("License") pursuant to which Landlord licenses to Tenant one (1) storage unit at the Building (commonly known as Unit #4) ("Storage Unit") and eight (8) unreserved surface parking spaces ("Parking Spaces" and together with the Storage Unit, the "Licensed Area") at the parking structure serving the Building, as more particularly described in the License.
- on February 23, 2014. Since such date, Tenant has continued to lease and license, as applicable, and occupy the Premises, and the Licensed Area, with Landlord's consent, on a month to month basis upon the same terms and conditions set forth in the Original Lease (excluding the provisions of Section 6 of the Original Lease relating to holdover) and License, as applicable.
- **D.** WHEREAS, Landlord and Tenant now desire to renew the Original Lease and add the Licensed Area to the definition of the term "Premises" under the Lease and terminate the License, all on the terms and conditions set forth in this Amendment.
- **E.** WHEREAS, all capitalized terms used herein but not specifically defined in this Amendment shall have the meanings ascribed to such terms in the Original Lease. The term "Lease" where used in the Original Lease and this Amendment shall hereafter refer to the Original Lease, as amended by this Amendment.

#### **AGREEMENT**

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, Landlord and Tenant agree as follows:

1. <u>Term.</u> The Term of the Lease is hereby extended until the last day of the month which is eighty-four (84) months following the Renewal Commencement Date (the "New Expiration Date"). The period commencing as of the day on which this Amendment is approved by the Board of Supervisors (the "Renewal Commencement Date") and ending on the New



Expiration Date is referred to herein as the "Extended Term". Tenant shall promptly deliver to Landlord written notice of the date of such approval.

- 2. Rent. Commencing as of the Renewal Commencement Date and ending as of the last day of the twelfth full calendar month thereafter, Tenant shall pay, in advance by Auditor's General Warrant in accordance with the terms and conditions set forth in Section 3 of the Original Lease, monthly installments of Rent for the Premises in the amount of \$13,744.50 per month (i.e., \$1.70 per square foot per month). Rent payments for the Premises shall be subject to annual adjustment on each anniversary of the Renewal Commencement Date in accordance with the CPI formula set forth in Section 19B of the Original Lease. The reference to "three and one half percent (3.5%) in Section 19C of the Original Lease is hereby deleted and replaced with "three percent (3%)" and the reference to "\$8,893.50" in Section 19C of the Original Lease is hereby deleted and replaced with "\$13,744.50."
- 3. Addition of License Area to Premises. Tenant and Landlord agree and acknowledge that as of the Renewal Commencement Date the Licensed Area shall be deemed incorporated into and part of the total revised Premises under the Lease. From and after the Renewal Commencement Date, all references to "Premises" in the Lease shall mean the Premises plus the Licensed Area. Landlord and Tenant further agree and acknowledge that the License shall automatically terminate as of the Renewal Commencement Date; provided, however, notwithstanding any contrary provision contained in this Lease, any obligation of Tenant or Landlord under the License which accrues prior to the Renewal Commencement Date and is not satisfied by Landlord or Tenant, as applicable, prior to the Renewal Commencement Date shall be deemed to be an obligation under the Lease and Landlord and Tenant shall have all rights and remedies with respect to such obligations as set forth in the Lease.
- 4. Landlord Work. Landlord shall, at Landlord's cost, perform the following improvements in the Premises (collectively, the "Landlord Work"): (i) remove and replace the existing flooring within the Premises with Building standard carpet to be selected by Tenant promptly upon request by Landlord, subject to availability, and (ii) paint the interior of the Premises with Building standard paint to be selected by Tenant promptly upon request by Landlord, subject to availability. The Landlord Work shall be performed using Building standard materials, quantities and procedures. Landlord hereby agrees to perform the Landlord Work after Tenant's standard business hours, with Tenant's consultation and cooperation. Tenant hereby agrees that Landlord's performance of the Landlord Work shall in no way constitute a constructive eviction of Tenant, entitle Tenant to any abatement of rent payable pursuant to the Lease or subject Landlord to any liability arising out of any interference resulting from the performance of the Landlord Work. Landlord shall relocate any of Tenant's personal property (including furniture and boxes) which may need to be relocated in order to permit Landlord to perform the Landlord Work; provided, however, Tenant shall be responsible for packing all personal property of Tenant's employees in appropriate moving boxes. Tenant shall cooperate with Landlord in connection with the performance of the Landlord Work.
- 5. <u>Tenant Early Termination Right</u>. Subject to the terms and conditions of this Section 4, Tenant shall have the option (the "Termination Option") to terminate the entire Lease upon delivering to Landlord at least one hundred twenty (120) days prior written notice (the "Termination Notice") of such election (the effective date of such termination hereinafter shall be

(R

the "Termination Effective Date"). Tenant shall be permitted to exercise the Termination Option only after the last day of the sixtieth (60<sup>th</sup>) month of the Extended Term. Tenant shall have no right to exercise the Termination Option if Tenant is then in default under the Lease. If Tenant exercises the Termination Option, the Extended Term shall terminate as of the Termination Effective Date. Rent and all other monetary obligations under the Lease shall be paid through by Tenant and apportioned as of the Termination Effective Date, and neither Landlord nor Tenant shall have any rights, liabilities or obligations accruing under the Lease after the Termination Effective Date, except for such rights, liabilities and obligations which, by the terms of the Lease, are obligations of the Tenant or Landlord which expressly survive the expiration or earlier termination of this Lease. The Termination Option is personal to the Tenant named in the Original Lease.

- 6. <u>HVAC</u>. Notwithstanding any contrary provision contained in the Lease, the second sentence of Section 4 of the Original Lease is hereby deleted in its entirety and is replaced with the following sentence: "However, Lessee acknowledges that air conditioning services will be available only during Building's normal operating hours of 8:00 a.m. to 6:30 p.m. on Mondays through Fridays, and from 8:00 a.m. to 12:00 noon on Saturdays."
- 7. Broker. Tenant represents and warrants to Landlord that it has not dealt with any broker with respect to this Amendment. If Tenant has dealt with any broker or person with respect to this Amendment, Tenant shall be solely responsible for the payment of any fees due said person or firm and Tenant shall protect, indemnify, hold harmless and defend Landlord from any liability in respect thereto.
- 8. <u>Original Lease in Full Force</u>. Except for those provisions which are inconsistent with this Amendment and those terms, covenants and conditions for which performance has heretofore been completed, all other terms, covenants and conditions of the Original Lease shall remain in full force and effect. Landlord and Tenant each hereby ratifies the Original Lease, as amended hereby.

[The rest of this page intentionally left blank. Signatures on the next page.]



IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

#### LANDLORD:

JD INVESTMENTS, LP, a California limited partnership

By: Decron Properties Corporation, a California corporation Its Managing Agent

By:

Name: David J. Nagel

Title: President and CEO

ADOPTED BOARD OF SUPERVISORS

#13 OCT 21 2014

SACHI A. HAMAI EXECUTIVE OFFICER

TENANT:

COUNTY OF LOS ANGELES a body politic and corporate

By:

Name:

Chairman, Board of Supervisors

ATTEST:

Sachi A. Hamai

Executive Officer-Clerk of the Board of Supervisors

By.

Deputy

Friendly certify that pursuant to Section 25103 of the Government Code, affivery of this document has been made SACHLA. HAMAL

Executive Officer

Clerk of the Board of Supervisors

By

Deputy

APPROVED AS TO FORM:

MARK J. SALADINO

County Counsel

By:

Deputy